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UNCLAS SECTION 01 OF 03 DHAKA 000710

SENSITIVE SIPDIS

FOR DEPUTY SECRETARY LEW, ACTING DIRECTOR OF U.S. FOREIGN ASSISTANCE GREENE, ACTING AID ADMIN FULGHAM FROM AMBASSADOR MORIARTY

DEPT ALSO FOR SCA, SCA/INSB

E.O. 12958: N/A

TAGS: <u>EAID PREL PGOV ECON PTER BG</u> SUBJECT: Bangladesh: Urgent Engineering/Contracting Needs for Cyclone Sidr Supplemental Cornerstone Shelter Project

¶1. (U) This is an action request. Please see paragraphs 2 and 11.

Summary

12. (SBU) Post needs Washington engagement and support to implement Mission Dhaka's \$34 million cyclone shelter construction project, the centerpiece of emergency supplemental funds Congress provided following cyclone Sidr in November 2007. Insufficient engineering expertise and contracting staff have stymied USAID's effort to undertake the showcase project, notified to Congress and the Government of Bangladesh. Our pledge of assistance to the people of Bangladesh is a test of U.S. commitment and ability to ramp up the field and Washington mechanisms required to complete this significant infrastructure project, which will directly advance U.S. goals in Bangladesh. I request stepped-up Washington interagency engineering and contracting support for the cyclone shelter project, which will safeguard more than 60,000 Bangladeshis and provide schools for 15,000 children in 60 multi-purpose shelters.

## U.S. First Response Sets High Benchmark

13. (SBU) The effective U.S. initial response to Cyclone Sidr in November 2007 set a high benchmark and generated enormous goodwill. Sidr's widespread damage and destruction affected 30 of Bangladesh's 64 districts, killing 3,500 and injuring 55,000. Economic damage totaled as much as \$2.5 billion. Mission Dhaka, OFDA, the III Marine Expeditionary Battalion, and the U.S.S. Keersarge and U.S.S. Tarawa worked closely with the GOB to provide emergency food, shelter, and medical care to more than 100,000 cyclone victims. Within three weeks of the disaster, USAID had provided relief and early recovery activities totaling \$6.2 million in shelter, water, sanitation, and hygiene programs, and \$20 million in Title II emergency food assistance.

## U.S. Long Term Cyclone Sidr Assistance \_\_\_\_\_\_

 $\underline{\P}4$ . (SBU) In the months following Cyclone Sidr, Congress provided \$75 million in emergency supplemental funds for long-term relief projects in the southwestern Bangladesh area hit by the cyclone. USAID/Bangladesh has launched governance, agriculture, job creation and environment activities with \$41 million. USAID plans to use the remaining \$34 million to construct approximately 60 multi-purpose cyclone shelters that will also serve as primary schools. Support for disaster mitigation and prevention is a cornerstone of our development efforts in Bangladesh.

Challenges Facing the Cyclone Shelter Program

15. (SBU) To implement the cyclone shelter program, USAID/Bangladesh began building a management team, design research, and recruiting a construction contractor. However, up until now, engineering and contracting capacity constraints have prevented us from launching the shelter program. USAID/Bangladesh lacks long-term, onsite engineering to design and implement a large construction project. Other international donors in Bangladesh have supported cyclone shelter programs by transferring funds for this purpose to the GOB. This arrangement is not possible for USAID, which must follow agency regulations and guidelines and build the shelters to USAID-specified standards. For similar reasons, USAID/Bangladesh found that it is not possible to transfer funds to the U.S. Army Corps of Engineers to build the shelters. (Note: DOD is building 24 cyclone shelters in Bangladesh. End note.)

## Engineering Oversight Required

16. (SBU) USAID/Bangladesh has thus far had no success in recruiting a U.S. personal services contractor (USPSC) engineer to oversee this project; securing qualified American or local professionals is a chronic problem for Mission Dhaka. To date, USAID/Bangladesh has relied exclusively on TDY support from USAID/Washington's engineering office. The TDY support is insufficient, according to USAID's Contract Review Board (CRB). The CRB advised that due to the size of the program, additional engineering input is needed before the Request for Proposal (RFP) can proceed. USAID also requires engineering support to review proposals, select a contractor and oversee construction.

Contracting Oversight Needed

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- 17. (SBU) In addition to the need for a full-time, onsite engineer to oversee construction of the cyclone shelters, USAID/Bangladesh also requires another warranted contracting officer. USAID has one contracting officer who is managing \$90 million in 2009 programming for 23 awards and who will take on 16 new awards shortly. The size and complexity of the cyclone shelter program demands an additional contracting officer.
- U.S. Assistance and U.S. Interests in Bangladesh
- 18. (SBU) Mission Dhaka's cyclone shelter program is central to a growing U.S. assistance portfolio intended to help Bangladesh remain a stable and moderate Muslim country friendly to the United States. Bangladesh struggles with poverty, political polarization, porous borders, ungoverned spaces, weak rule of law and poor social service delivery. Transnational terrorists have demonstrated their ability to use Bangladesh as a safe haven, transit point, and recruiting base. Bangladesh's strong national identity, the history of its liberation struggle, and a legacy of moderate Islam limit popular support for extremism. However, poverty and poor governance have given the extremists a toe hold, including in the southwestern areas hit by Sidr.

Disaster Mitigation and Preparedness Key

19. (SBU) U.S. development assistance has more than doubled since 2007 to over \$170 million in 2009 in recognition of these realities and Bangladesh's growing strategic importance. Improved disaster preparedness and response capabilities are key U.S. development objectives in Bangladesh. Due to its large population, a unique deltaic river system, and changing climate conditions, Bangladesh faces yearly water-related disasters. Annual monsoon flooding engulfs about 30 percent of the country, exacerbated by other natural disasters which strike on average more than once a year. Each disaster endangers the precarious existence of millions of poor, with the Government of Bangladesh struggling to respond effectively and forestall disaster victims from turning to violence or extremism.

110. (SBU) Mission Dhaka's plan to build another 60 USAID cyclone shelters is a key component of our disaster mitigation assistance and overall development program, central to U.S. interests in Bangladesh. Not only will the shelters save lives during disasters, but they will serve as schools and government offices on a daily basis, contributing to human development and government stability. The shelters would also serve as a material reminder to the people of southwestern Bangladesh of the U.S. commitment to their country. Recent events again demonstrated the importance of USG assistance: Cyclone Aila struck Bangladesh in May 2009 with winds of over 90 kilometers per hour, killing 190 people, injuring 7,000, and displacing more than 500,000 families.

Action Request: Engineer, Contracting, Backstopping Needed

111. (SBU) I request interagency engagement to secure an engineer, contracting officer and the Washington backstop support necessary to implement the \$34 million cyclone shelter program. We have set the task, notified Congress and the Government of Bangladesh, and need to take next steps necessary to achieve this declared objective. A possible approach might be to designate these slots as critical priority positions. We have the financial resources to make a lasting contribution to Bangladesh's disaster preparedness, potentially saving the lives of tens of thousands of Bangladeshis and educating thousands more. Safeguarding lives, educating children and building a more stable Bangladesh is in the direct interest of the United States. The cyclone shelters are a cornerstone of that effort.

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